



Weatherization & Recovery Funding for Green Savings

Debra Hall, DHCD
NAHRO Fall Conference
November 2009



ARRA – Recovery & Reinvestment



- US Dept. of Energy primary source
- HUD sources very limited for state-supported public housing
- Job reporting very detailed – LHA recipients will help DHCD prepare and file quarterly
- Davis-Bacon requirements
- Buy American provisions



WEATHERIZATION



- US Dept. of Energy -\$122 million to MA
- \$25 million for state public housing
- DHCD will manage funding – design with House Doctors
- 27 housing authorities already have awards to weatherize Ch. 200 developments
- 40-50 will get awards to weatherize Chapter 705 housing units



WEATHERIZATION – Cost-Effective Spending Hierarchy



- Air seal & weather strip
- Heating system tune-up or replacement
- Insulation of attics, walls, floors
- Window repair or replacement
- *Most DHCD projects will be heating system replacement*



MA DOER STATE ENERGY PROGRAM



- Also US Dept. of Energy resource
- DHCD requesting \$150,000 for pilot projects in all-electric developments
 - Biomass/ wood pellet stoves in community rooms – for cost savings and emission reduction
 - Air source heat pumps provide heat down to 0 degrees F and cost-effective A/C



Wood Pellet Stoves



- Somerset pilot last winter
- Saved energy, increased comfort and social interaction



Air Source Heat Pumps



- Ductless & ducted
- Some made in US; most from Japan
- Initial use in community space but could be used in housing units



HUD GREEN RETROFIT



- Section 8 New Const Substantial Rehab developments
- 0% Loan
- \$10,000-15,000 per unit
- Many requirements regarding financial & operational performance
- Only a few developments qualify



Other Options



- Qualified Energy Conservation Bonds – low interest financing; more details soon
- Solar – other bond funds available – DOER preparing batch RFP for larger public building solar projects – few LHAs large enough





Expanded Utility Energy Efficiency Programs

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Highlights



- >\$1 billion to be spent on 3-year Energy Efficiency plans in Mass.
- Breakthrough - New Energy Efficiency Program for Multifamily Housing
- \$70 million for Low Income Multifamily – LHAs and non-profits



Why are Energy Efficiency Programs expanding?



- The Green Communities Act of 2008 set the requirements for robust state-wide three-year energy efficiency plans to be developed by utilities
- Plans must "provide for the acquisition of all available energy efficiency and demand reduction resources that are cost- effective or less expensive than supply."



How is Expansion Funded?



- The primary method has been a fixed System Benefits Charge (SBC) of 2.5 mils for every kilowatt-hour sold = \$125 million annually, depending upon actual electric sales.
- Expanded programs will be funded by a combination of revenue sources:
 - Systems benefit charge
 - Forward Capacity Market
 - Regional Greenhouse Gas Initiative
 - other funding that may be approved by Department of Public Utilities



DHCD Stakeholder Role



- Energy Efficiency Advisory Council
- Representative interests/organizations include
 - MA Energy Resources, Business & Industry, Energy efficiency experts, Residential customers, Low Income Weatherization and Fuel Assistance Network (LEAN), Environmental community, Organized labor, MA Department of Environmental Protection (DEP), Attorney General, Executive Office of Housing and Economic Development (Debra Hall)
- The Council has worked very collegially with the utilities and each other; we unanimously endorsed the 2010-2012 Statewide Energy Efficiency Plans that were filed with DPU Oct. 30.
- DPU Approval is expected end of January.



What's in the 3-Yr Plan\$?



- \$1.6 billion of direct energy efficiency investment between 2010-2012
- \$4.4 million economic value added to economy due to savings
- more than 3800 jobs over three years
- \$70+ million for new Low-Income Multifamily Energy Efficiency Retrofit program
 - targeted to public housing and affordable housing developed by non-profits



Low-Income Multifamily Energy Efficiency Retrofit



- Multifamily traditionally “fell between the cracks”
 - Buildings a mix of commercial & residential meters
 - Low-income programs aimed at 1-4 unit buildings
 - Landlords lacked incentives to participate
- DHCD worked with utilities
 - Focus group of housing authorities hosted by NSTAR
 - 2-day “Charrette” to plan new program
- Program Outcome: “Whole Building” approach, meter-blind and fuel-blind audit, grants to housing authorities and non-profit developers instead of rebates and co-payments



Implementation Issues for Low Income Program



- Representation on committee
- Procurement of technical partners
- Project Selection Criteria
- Performance benchmarking
- Prevailing wages /Davis-Bacon



Other features



- New construction – Energy Star program
- Marketing & outreach
- Many pilot programs
- Bill impacts
- On-bill financing



Low Flow Toilet Procurement



- Procuring Plumbers - Similar to AERP for <\$10K, add Central Register for >\$10K
- Toilet purchase from state contract with Met Pipe
- Recycling from state contract Conigliaro Industries
- Weekly DHCD call-in time for help
- 44 LHAs in Round 1 – lots of success, learning!



Key Steps



- Get prevailing wages
- Solicit 3 bids or public notification
- Winning bidder – payment bond, confirm toilet model selection
- Order toilet – get target date for delivery
- Call recycler to get storage
- Plumber does the work
- Recycler picks up used toilets
- Send invoice to DHCD

